

SPECIAL REPORTING INSTRUCTIONS FOR THIS QUARTER

1. Data reported in the DCM is on a fiscal year to date basis; that is, from year end through the end of the current quarter.
2. For users who submitted data into the DCM during 4th quarter FY 2006, your beginning balances will be pre-populated in the DCM. All first time users will show a beginning balance of zero. If you have any discrepancies with your beginning balance, please contact FMO immediately.
3. Values entered should not be rounded. All amounts should be in dollars and cents.
4. Individuals submitting data via the DCM shall maintain supporting detailed files or records for audit trail purposes.

GUIDELINES FOR REPORTING OTHER LIABILITIES

The purpose of this form is to collect Other Liability data in the areas of Non-environmental Disposal Liability, Contract Incentives, Judgment Fund, and other liabilities not reported via STARS. Liabilities must be recognized regardless of whether they are covered by available budgetary resources, this includes liabilities related to appropriations canceled under "M" account legislation.

Enter nonenvironmental data, segregated by intragovernmental and nonfederal, in the first two tabs. Do not include cleanup costs, which should be reported as environmental liabilities or the environmental portion of disposal costs.

Enter other non-federal liabilities, including Contract Incentives and other non-federal liabilities not reported via STARS, in the third grid.

Enter Other Intragovernmental Liabilities, including Judgment Fund costs and other intragovernmental liabilities not reported via STARS in the fourth grid. Judgment Fund liabilities should include those claims that are to be reimbursed to the Department of Treasury covered by both Contract Dispute Act (CDA) and Notification of Federal Antidiscrimination and Retaliatory Act (No FEAR Act).

Other Liabilities Instruction

Report the judgment fund cases covered by CDA in the 1st and 2nd row and the cases covered by No FEAR Act in the 3rd and 4th row.

Nonenvironmental Disposal of Military Equipment (Nonnuclear) liabilities should include removal, transportation, demilitarization, final dismantlement and disposal costs at the time of management decision to dispose.

Nonenvironmental Disposal of Excess/Obsolete Structures liabilities should include disposal of excess and obsolete facilities and structures scheduled to be disposed within 12 months.

Conventional Munitions Disposal liabilities should include removal, transportation, demilitarization, final dismantlement and disposal costs at the time of management decision to dispose. If the environmental liability cannot be identified separately, report the entire disposal liability as nonenvironmental.

Other Nonenvironmental Disposal should include nonenvironmental disposal of excess and obsolete non-Military Equipment scheduled to be disposed within 12 months. Report tactical missile and torpedo disposal liability if the environmental cost cannot be identified separately.

Additional Guidance

Refer to the following for additional guidance: SFFAS No. 1, "Accounting for Selected Assets and Liabilities;" SFFAS No. 3, "Accounting for Inventory and Related Property;" and SFFAS No. 6, "Accounting for Property, Plant, and Equipment". Also refer to the DoD Financial Management Regulation, Volume 6B, Chapter 10. The additional references mentioned above can be found on the FMO Headquarters website at <http://www.fmo.navy.mil/>

INSTRUCTIONS FOR COMPLETING THE NARRATIVE TAB

In the Narrative tab, provide the following:

(1) Disclose the amount of current cost basis estimates of disposing or demolishing excess/obsolete structures at active installations. Also disclose the expected completion date.

Other Liabilities Instruction

(2) Disclose the basis for disposal liability cost estimates for Military Equipment (Non Nuclear), Conventional Munitions, and Other.

(3) All variances must be explained regardless its percentage change.

(4) Detail explanation of any prior period adjustments reported in the schedules.

(5) Other information relevant to Other Liabilities that is not disclosed above.